

TAX YEAR 2020

Pertinent Data Book For The District Of Columbia

OFFICE OF TAX AND REVENUE
REAL PROPERTY TAX ADMINISTRATION



TAX YEAR 2020

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Please use this example as a guide to understanding your appraisal

CBD, INC. Office Building		
December 31, 2015		
Potential Gross Income		
	Office: 198,000 sq. ft. X \$52	\$10,296,000
	Retail: 7,500 sq. ft. X \$65	487,500
	Parking	500,000
	Antenna Lease	<u>30,000</u>
1.	Total Potential Gross Income	\$ 11,313,500
2.	less Vacancy & Collection Loss (7%)	- 754,845
3.	Effective Gross Income	\$ 10,558,655
Expenses		
Operating:		
4.	Office Area (24%, rounded)	\$ 2,345,944
5.	Retail Area (25%, rounded)	113,344
6.	Parking & Antenna (25%, rounded)	132,500
7.	Reserves for Replacements (2% of PGI)	<u>226,270</u>
8.	Total Expenses	- \$ 2,818,058
9.	Net Operating Income	<u>\$7,740,597</u>
10.	Class 'A' Property Capitalization Rate	6.00 %
11.	Indicated Market Value	<u>\$129,009,950</u>

SSL 9999 8888		Internal ID 183145		Sales Information				Commercial Data Elements				2017 INCOME VALUATION Washington, DC 12/31/2015 10:00:17 AM									
Location 9999 9TH ST NW		Current Owner CDB, INC 9999 9TH ST		Sale Date 10-28-2013	Q/U Q	V/I I	Sale Price 125,000,000	Exterior Finish 0 Typical		Year Built 2005				Wall Height 12. 7.6098							
Washington DC 20002		Additional Owners:		Total Appraised Parcel Value 129,009,950																	
LEASEABLE AREA SUMMARY													ECONOMIC INCOME VALUATION		Notes						
Leaseable Area Summary		Cap Rate		Income				Income Value													
Ground Level	7,500	Cap Code	OA1	Gross Income	11,313,500	Income Value	11	129,009,950													
Lower level	0	Cap Adjust	A	Vacancy Allowance	754,845	Other Adjust	0														
Upper Level	198,000	Cap Rate	10 0.0600	Expense Allowance	2,818,057	Total Income Value	129,009,950														
Total Leaseable Area 205,500		Rent ID	NBHD	Net Income 7,740,597		Value per SF/Unit 628															
		001	10																		
#	Bldg #	Sect #	Style	Adj Table	OCC	SF/Unit	Fir Lev	Base Rate	Use Adj	Loc Adj	Rent SF/Unit	Gross Rent	Vac	Vac %	Vacancy Allowance	EGI	EXP	EXP %	EXP /SF	Expenses	NOI
1	1	1	OFF OFFICE CL	3	0	198000	UL	52.00	3	3	52.00	10,296,000	3	0.07	720,720	9,575,280	3	0.24		2,345,944	7,229,336
2	1	1	OFF OFF RETAI	3	7500	7500	GL	65.00	3	3	65.00	487,500	3	0.07	34,125	453,375	3	0.25		113,344	340,031
3	1	1	OFF OFF PARKI	6	0	0	LL	0.00	3	3	500000.0	500,000	3	0.00	0	500,000	3	0.25		125,000	375,000
4	1	1	OFF OFF MISC I	6	0	0	UL	0.00	3	3	30000.00	30,000	3	0.00	0	30,000	3	0.25		7,500	22,500
5	1	1	OFF OFF RESE	6	0	0	GL	0.00	3	3	0	0	3	0.00	0	0	3	0.00		226,270	-226,270
												1	2	3	8	9					
												11,313,500	754,845	10,558,655	2,818,058	7,740,597					
						205,500					11,313,500	754,845	10,558,655	2,818,058	7,740,597						

TAX YEAR 2020

Washington, DC Office Property Key Assessment Data

	CAPITOL HILL	CENTRAL BUSINESS DISTRICT	GEORGETOWN	NORTHEAST	OLD CITY #2	SOUTHEAST	SOUTHWEST	UPTOWN EAST	UPTOWN WEST
Vacancy Ratio	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Expense Ratio (Trophy)	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Expense Ratio (Class A)	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%
Expense Ratio (Class B)	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%
Expense Ratio (Class C)	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%	32.0%
Expense Ratio (All Others)	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%

CODE	DESCRIPTION	ANNUAL RENT								
1 OFF1	OFFICE TROPHY	69.00	69.00	67.00	67.00	69.00	67.00	69.00	67.00	67.00
2 OFF2	OFFICE CLASS A	55.00	55.00	54.00	54.00	55.00	54.00	55.00	54.00	54.00
3 OFF3	OFFICE CLASS B	47.00	47.00	43.00	43.00	47.00	43.00	47.00	43.00	43.00
4 OFF4	OFFICE CLASS C	41.00	41.00	35.00	35.00	41.00	35.00	41.00	35.00	35.00
5 OFFC	OFFICE CONDO	47.00	47.00	43.00	43.00	47.00	43.00	47.00	43.00	43.00
6 O_BO	OFF BSMT OFFICE	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00
7 O_BR	OFF BSMT RETAIL	42.00	42.00	42.00	42.00	42.00	42.00	42.00	42.00	42.00
8 O_R1	OFF RETAIL_FF	60.00	60.00	50.00	50.00	60.00	50.00	60.00	50.00	50.00
9 O_R2	OFF RETAIL_UP	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00
10 O_RA	OFF RES_APT	33.00	33.00	33.00	33.00	33.00	33.00	33.00	33.00	33.00

Cap Rate Table

CAP CODE	DESCRIPTION	RATE
OA0	OFFICE TROPHY	5.000
OA1	OFFICE A	6.200
OB0	OFFICE B	6.900
OC0	OFFICE C	7.800

CAP RATING	DESCRIPTION	ADJUSTMENT
O0	VERY POOR	1.06
O1	POOR	1.04
O2	FAIR	1.02
O3	AVERAGE	1.00
O4	GOOD	0.98
O5	EXCELLENT	0.96
A	AVERAGE	1.00

Rent, Vacancy, and Expense Adjustment Tables

RATING	DESCRIPTION	LOCATION	USE	VACANCY	EXPENSE
1	POOR	0.80	0.80	1.50	1.20
2	FAIR	0.90	0.90	1.25	1.10
3	AVERAGE	1.00	1.00	1.00	1.00
4	GOOD	1.10	1.10	.75	.90
5	EXCELLENT	1.20	1.20	.50	.80
A	AVERAGE	1.00	1.00	1.00	1.00

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Washington, DC Hotel Properties Base Rates for Reassessment

Base Rates	
Base Management Fee	3.00%
Incentive Management Fee	1.00%
Franchise Royalty Fee	4.00%
Replacement for Reserves (Real Property)	2.00%
Replacement for Reserves (Personal Property) aka-Return of FF&E Invested Capital	4.00%
Personal Property Tax Rate	3.40%

Replacement Cost New of FF&E per Room	
Ultra Luxury	\$ 60,000
Luxury	\$ 50,000
Full Service	\$ 30,000
Select Service	\$ 15,000–25,000
Limited Service	\$ 10,000–25,000
Economy and Motel	\$ 10,000

Cap Rate Real Property	
Ultra Luxury	6.50%
Luxury	6.95%
Full Service	7.15%
Select Service	7.80%
Limited Service	7.85%
Economy and Motel	7.85%

Cap Rate Personal Property	
Ultra Luxury	6.65%
Luxury	7.10%
Full Service	7.30%
Select Service	7.95%
Limited Service	8.00%
Economy and Motel	8.00%

Source: HVS Cost Survey



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Washington, DC Apartment Property Monthly Rent Assessment Data

	CAPITOL HILL	CENTRAL BUSINESS DISTRICT	GEORGETOWN	NORTHEAST	OLD CITY #2	SOUTHEAST	SOUTHWEST	UPTOWN EAST	UPTOWN WEST	
Vacancy Ratio	6%	5%	4%	6%	5%	7%	8%	4%	4%	
Expense Ratio	38%	29%	31%	40%	30%	51%	32%	45%	34%	
Code	Description	Monthly Rent								
0000	JR. EFFICIENCY	1,495	1,450	1,160	1,065	1,260	785	1,655	1,110	1,185
0101	EFFICIENCY	1,660	1,610	1,285	1,175	1,400	870	1,655	1,230	1,315
0102	EFFICIENCY, SM	1,495	1,450	1,160	1,065	1,260	785	1,655	1,110	1,185
0103	EFFICIENCY, LG	1,830	1,765	1,410	1,310	1,545	955	1,700	1,345	1,445
1101	1BR, 1BA	1,985	2,340	1,770	1,275	1,705	1,005	1,995	1,460	1,680
1102	1BR, 1BA, SM	1,790	2,110	1,590	1,135	1,535	900	1,995	1,310	1,515
1103	1BR, 1BA, LG	2,180	2,575	1,945	1,395	1,880	1,110	1,995	1,600	1,845
1111	1BR+DEN, 1BA	2,370	2,685	1,790	1,470	1,985	1,385	1,995	2,045	2,000
1113	1BR+DEN 1BA, LG	2,610	2,955	1,970	1,605	2,190	1,525	1,995	2,245	2,195
2101	2BR, 1BA	2,410	3,495	2,560	1,635	2,505	1,150	2,685	1,740	2,295
2102	2BR, 1BA, SM	2,165	3,140	2,300	1,470	2,250	1,035	2,685	1,560	2,065
2103	2BR, 1BA, LG	2,660	3,850	2,815	1,800	2,750	1,265	2,685	1,915	2,515
2111	2BR+DEN, 1BA	2,885	4,030	2,720	1,885	2,880	1,425	2,685	2,165	2,860
2113	2BR+DEN 1BA, LG	3,180	4,425	2,990	2,070	3,170	1,570	2,685	2,380	3,150
2201	2BR, 2BA	2,645	4,030	2,950	1,965	2,880	1,385	2,685	1,890	2,860
2202	2BR, 2BA, SM	2,390	3,625	2,655	1,775	2,595	1,245	2,685	1,705	2,585
2203	2BR, 2BA, LG	2,910	4,425	3,250	2,160	3,170	1,525	2,685	2,080	3,150
2211	2BR+DEN, 2BA	3,185	4,615	2,995	2,345	3,225	1,680	2,685	2,110	3,445
2213	2BR+DEN 2BA, LG	3,505	5,095	3,295	2,575	3,545	1,855	2,685	2,335	3,780
3101	3BR, 1BA	3,125	5,015	3,110	2,195	2,505	1,425	3,270	1,860	2,940
3102	3BR, 1BA, SM	2,820	4,515	2,795	1,985	2,250	1,275	3,270	1,675	2,645
3103	3BR, 1BA, LG	3,430	5,525	3,415	2,405	2,750	1,570	3,270	2,050	3,220
3111	3BR+DEN, 1BA	3,605	5,775	3,415	2,510	2,880	1,815	3,270	3,270	3,545
3113	3R+DEN 1BA, LG	3,940	6,340	3,755	2,770	3,170	1,995	3,270	3,580	3,900
3201	3BR, 2BA	3,605	5,775	3,415	2,510	2,880	1,680	3,270	2,015	3,115
3202	3BR, 2BA, SM	3,235	5,190	3,070	2,275	2,595	1,515	3,270	1,810	2,800
3203	3BR, 2BA, LG	3,940	6,340	3,755	2,770	3,170	1,855	3,270	2,195	3,425
3211	3BR+DEN, 2BA	4,315	7,215	3,730	3,030	3,455	2,105	3,270	3,410	3,760
3213	3BR+DEN 2BA, LG	4,745	7,940	4,095	3,340	3,810	2,310	3,270	3,750	4,130
4101	4BR, 1BA	4,080	5,900	4,040	3,755	3,020	1,815	3,605	3,270	5,335
4102	4BR, 1BA, SM	3,670	5,310	3,630	3,360	2,715	1,635	3,605	2,940	4,795
4103	4BR, 1BA, LG	4,500	6,485	4,450	4,115	3,320	1,995	3,605	3,580	5,865
4111	4BR+DEN, 1BA	6,145	6,795	4,650	4,670	3,465	2,160	3,605	3,270	6,410
4113	4BR+DEN 1BA, LG	6,750	7,465	5,105	5,145	3,815	2,375	3,605	3,580	7,035
4201	4BR, 2BA	6,145	6,795	4,650	4,670	3,465	1,995	3,605	3,410	6,410
4202	4BR, 2BA, SM	5,525	6,110	4,190	4,215	3,115	1,800	3,605	3,065	5,770
4203	4BR, 2BA, LG	6,750	7,465	5,105	5,145	3,815	2,190	3,605	3,750	7,035
4211	4BR+DEN, 2BA	7,355	7,810	5,130	5,605	4,160	2,320	3,605	3,410	7,360
4213	4BR+DEN 2BA, LG	8,090	8,595	5,645	6,170	4,580	2,560	3,605	3,750	8,090
4999	5 OR MORE BR	4,800	6,795	6,385	3,555	5,805	2,560	5,160	3,410	8,935

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Washington, DC Apartment Property Key Assessment Data

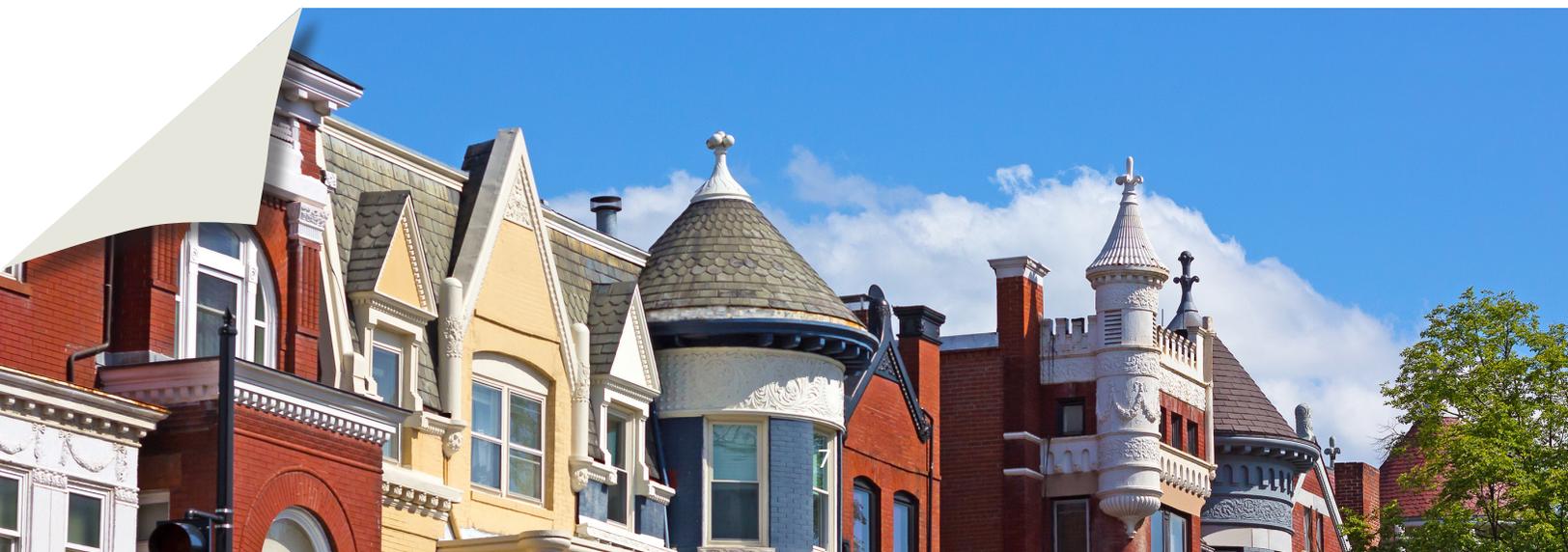
Cap Rate Table

CAP CODE	DESCRIPTION	RATE
A1A	A Class-Market Area 1	4.800
A1B	B Class-Market Area 1	5.500
A1C	C Class-Market Area 1	5.800
A2A	A Class-Market Area 2	5.000
A2B	B Class-Market Area 2	6.300
A2C	C Class-Market Area 2	6.500
A3A	A Class-Market Area 3	6.000
A3B	B Class-Market Area 3	6.600
A3C	C Class-Market Area 3	7.200

CAP RATING	DESCRIPTION	ADJUSTMENT
0	VERY POOR	1.3
1	POOR	1.2
2	FAIR	1.1
3	AVERAGE	1.0
4	GOOD	0.9
5	EXCELLENT	0.8
A	AVERAGE	1.0

Rent, Vacancy, and Expense Adjustment Tables

RATING	DESCRIPTION	LOCATION	USE	VACANCY	EXPENSE
1	POOR	0.80	0.80	2.00	1.25
2	FAIR	0.90	0.90	1.50	1.10
3	AVERAGE	1.00	1.00	1.00	1.00
4	GOOD	1.10	1.10	0.50	0.90
5	EXCELLENT	1.25	1.25	0.25	0.75
A	AVERAGE	1.00	1.00	1.00	1.00
S	NON-MARKET	0.90	0.90	0.25	1.25



TAX YEAR 2020

Tax Year 2020 Washington, DC Retail Property Key Assessment Data

	CAPITOL HILL	CENTRAL BUSINESS DISTRICT	GEORGETOWN	NORTHEAST	OLD CITY #2	SOUTHEAST	SOUTHWEST	UPTOWN EAST	UPTOWN WEST	
Vacancy Ratio	4%	4%	4%	4%	4%	4%	4%	4%	4%	
Expense Ratio	5%	5%	5%	5%	5%	5%	5%	5%	5%	
Code	Description	Monthly Rent								
1 RET1	RT SM < 10K SF	34.90	72.80		23.10	43.70	20.80	72.80	28.50	44.80
2 RET2	RT MED < 20K SF	31.40	65.60		20.60	39.40	18.80	65.60	23.90	40.30
3 RET3	RT LRG < 50K SF	27.80	58.20		18.40	35.00	16.80	58.20	21.20	35.80
4 RET4	RT XLG > 50K SF	24.40	51.00		16.10	30.60	14.50	51.00	18.60	31.30
5 RET1	RT MKT AREA 1			45.80						
6 RET2	RT MKT AREA 2			58.20						
7 RET3	RT MKT AREA3 SM			99.90						
8 RET4	RT MKT AREA3 LG			36.40						
9 RET5	RT 1ST/UPPR FLR	27.80	58.20	50.00	18.40	35.00	16.80	58.20	26.95	35.80
10 RETB	RT BANK/FINANCE	34.90	72.80	58.20	23.10	48.84	20.80	72.80	34.20	47.64
11 RETR	RT RESTAURANT	34.90	72.80	52.00	23.10	48.84	20.80	72.80	34.20	47.64
12 RTLL	RT LOWER LEVEL	17.00	26.00	30.00	15.50	26.00	15.50	26.00	17.00	26.00
13 RTUA	RT UPPR FLR APT	25.40	42.60	31.20	15.50	31.20	15.50	41.60	25.40	20.80
14 RTUO	RT UPPR FLR OFF	25.40	42.60	31.20	15.50	31.20	15.50	41.60	25.40	20.80
15 RTUR	RT UPPR FLR RET	25.40	42.60	39.60	15.50	31.20	15.50	41.60	25.40	20.80

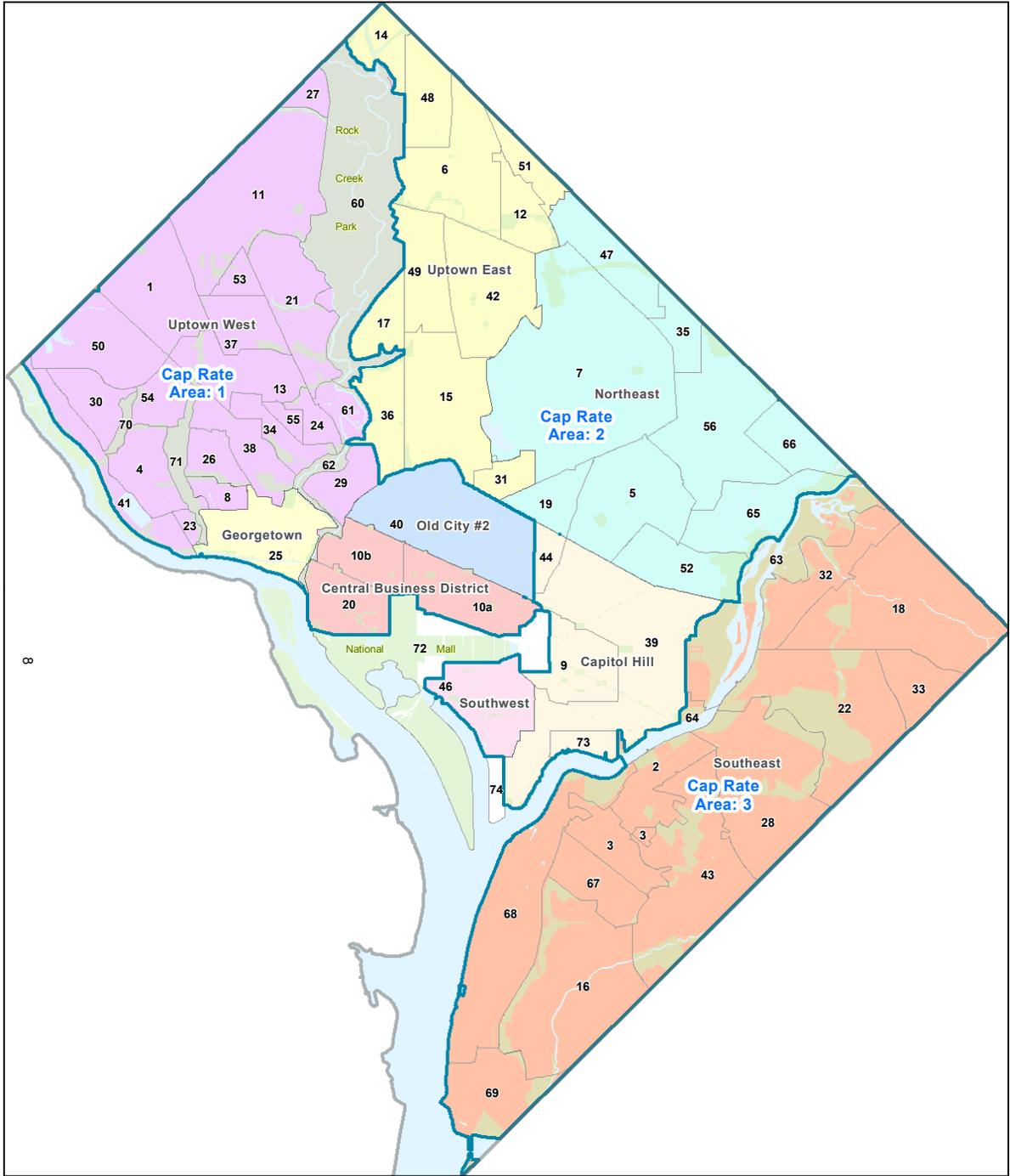
Cap Rate Table

CAP CODE	DESCRIPTION	RATE
RE1	STANDARD RETA	0.060
RE2	SHOPPING CTR/M	0.066
RE3	DEPT STORE/SUP	0.066

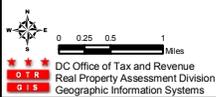
CAP RATING	DESCRIPTION	ADJUSTMENT
0	VERY POOR	1.30
1	POOR	1.20
2	FAIR	1.10
3	AVERAGE	1.00
4	GOOD	0.90
5	EXCELLENT	0.80
A	AVERAGE	1.00

Rent, Vacancy, and Expense Adjustment Tables

RATING	DESCRIPTION	LOCATION	USE	VACANCY	EXPENSE
1	POOR	0.80	0.80	1.50	1.20
2	FAIR	0.90	0.90	1.25	1.10
3	AVERAGE	1.00	1.00	1.00	1.00
4	GOOD	1.10	1.10	0.75	0.90
5	EXCELLENT	1.20	1.20	0.50	0.80
A	AVERAGE	1.00	1.00	1.00	1.00



RPAD Rent Curve SubMarkets and Cap Rate Areas



- 1, Central Business District
- 1, Uptown West
- 2, Southwest
- 1, Georgetown
- 2, Capitol Hill
- 2, Uptown East
- 1, Old City #2
- 2, Northeast
- 3, Southeast



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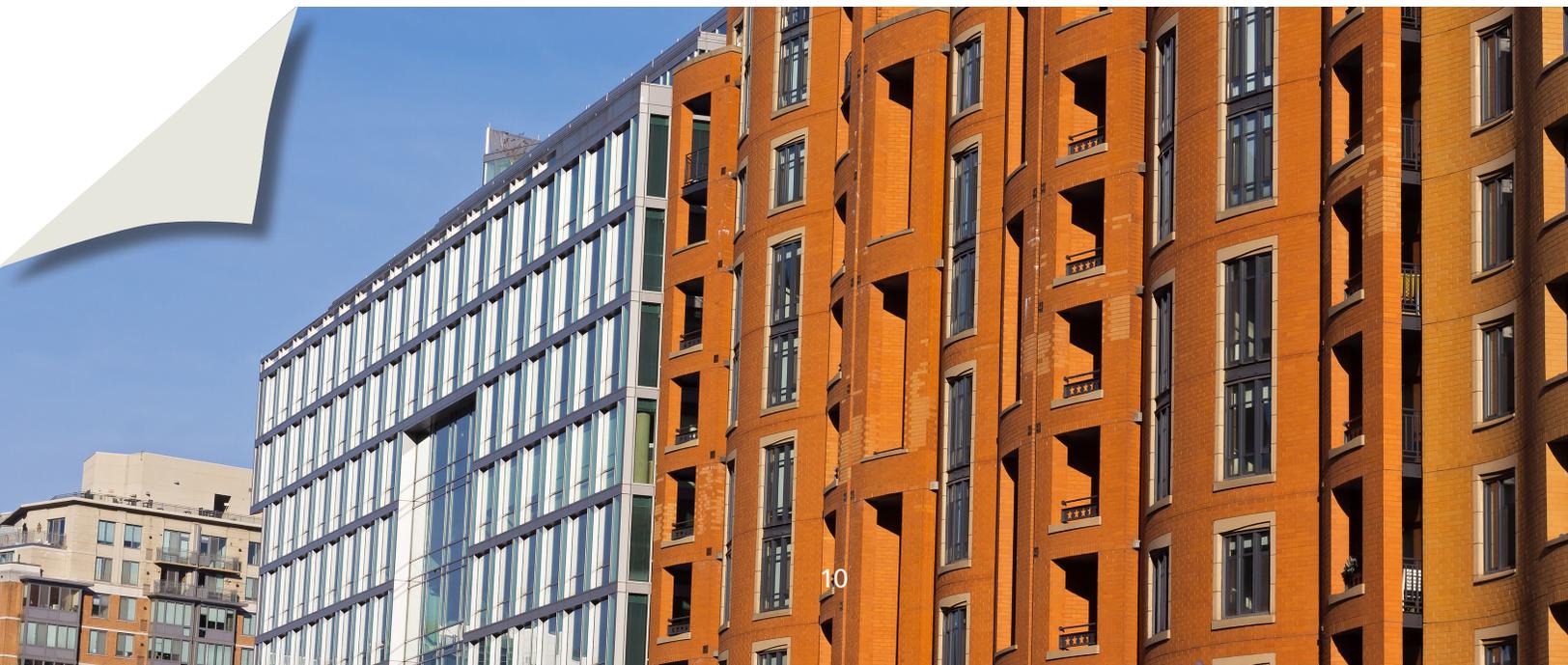
Washington, DC Office Building Expense Rate Methodology

Expense rates for the various classes of Office buildings were derived from income and expense analysis. The initial analysis is based on the Income and Expense forms completed by office building owners. Expenses as a percentage of effective gross income are calculated for each property with a complete and clear Income and Expense filing. Properties that have not reached stabilization are omitted from the analysis.

Typical expense ratios are developed for each class of office buildings. After the total income for a given property has been determined, a comparison is made to the property's reported stabilized expenses to develop an expense ratio for the property. After this is completed for each property, the buildings are stratified by class.

For each class of office, measures of central tendency are reviewed to develop estimates of typical expense ratios. Typical expense ratios are developed as a percentage of effective gross income for various classes of office properties.

Other relevant data is considered and the base expenses for the valuation model are chosen.



TAX YEAR 2020

Washington, DC Office Building Effective Rent Study Methodology

Market based effective rent is derived from lease abstracts submitted by office property owners. The lease abstract is part of the income and expense report submitted to OTR by property owners. A separate analysis is performed to develop an indicated effective market rent from each new office space lease in the District for the calendar year. The steps are generally as follows:

For each lease, initial base rent, lease term, annual percentage rent increases and size of leased area are utilized to develop an estimate of total income from base rent over the life of the lease. Secondly, If the tenant is responsible for the payment of any operating expenses during the term of the lease (not including excess expenses over an expense stop) an estimate is made of total rent via expense payments/reimbursements over the term of the lease. This is calculated utilizing the lease abstract, the expense history of the subject property and expected rate of expense increases going forward. This estimate of total expense reimbursement (not including expense stop reimbursements) is added to the total estimated base rent for the term. Concessions (usually in the form of free rent) are deducted from that total. The new total rent estimated is divided by the number of years of the lease and the square footage of the space leased to arrive at an average annual estimate of rent per square foot.

That figure is then adjusted, if necessary, for any amount of leasing costs to be paid by the property owner which fall outside of the typical range of lease-up costs for the market. These lease-up costs include tenant improvements and leasing commissions. This range is determined by a separate lease up cost study.

The result is an annualized per-square-foot number that represents the indicated effective rent for that lease. When this process is completed for all new leases available, the leases are stratified by submarket, including considerations of building class and location. For each group of leases an indicated effective rent is determined by multiple measures of central tendency, including average, median and weighted average. OTR utilizes prior year's data. Those indications are then projected forward by one year, utilizing an estimate of percentage increases in market rent. This results in three measures of projected effective rent for a given class and submarket of office buildings.

Consideration is given to other qualitative relevant data, before base rents for the valuation model are chosen.

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Washington, DC Office Building Capitalization Rate Study Methodology

Office capitalization rates were derived from arms-length market sales. The stabilized net operating income was derived within the Vision CAMA income capitalization worksheet. Annual Leasing Reports (Rent Roll) and Income & Expense Statements (I&E), submitted by owners of office buildings in the District were reviewed and analyzed to determine market rents and expenses for office buildings of various classifications and locations. In addition, surveys and reports of market rents and expenses from notable commercial real estate publications were reviewed for support of the analysis.

Market rents were applied to the net rentable area of sales properties, with exceptions and/or adjustments to leases with remaining terms. Market vacancy rates were applied to the resulting gross operating income. Market expenses were compared to historical expenses of sales properties to determine the most appropriate expense deduction. A deduction was also made for reserves to account for upcoming replacement of short-lived building components which typically do not occur on an annual basis.

Stabilized and trended actual performance of properties is utilized to derive adjustments for income items such as parking, storage, and miscellaneous income.

All these factors were utilized to derive an estimate of stabilized net operating income for each sale property. The indicated capitalization rate was calculated for each sale property by dividing the stabilized net operating income by the sale price. The population of sale properties, and their indicated capitalization rates, were analyzed to determine capitalization rate for office properties for the tax year.

Non-arm's length sales or sales without an adequate reported history of income and expenses are not included in the capitalization rate study.